



CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

Peter R. Orszag, Director

May 8, 2007

Honorable Barbara Boxer
Chairman
Committee on Environment
and Public Works
United States Senate
Washington, DC 20510

Dear Madam Chairman:

As you requested, CBO has reviewed a proposed amendment in the nature of a substitute to S. 1248, the Water Resources Development Act of 2007, as ordered reported by the Senate Committee on Environment and Public Works on March 29, 2007. The amendment was provided to CBO by your office on May 7, 2007. Based on a preliminary review of the amendment, CBO estimates that implementing S. 1248 with the proposed amendment would increase discretionary outlays by \$7.1 billion over the 2008-2012 period and by an additional \$6.8 billion over the 10 years after 2012, assuming appropriation of the necessary sums. In addition, CBO estimates that enacting the bill with the proposed amendment would increase direct spending by \$6 million in 2008, by \$4 million over the 2008-2012 period, and by \$5 million over the 2008-2017 period. Enacting the bill would not affect federal revenues.

The bill with the proposed amendment contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA). Federal participation in the levee safety program and in water resource projects and programs authorized by this bill would benefit state, local, and tribal governments. Any costs incurred by those governments to comply with the conditions of this federal assistance would be incurred voluntarily.

Based on a preliminary review of the bill, CBO found no new private-sector mandates as defined in UMRA.

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The estimated budgetary impact of the legislation with the proposed amendment is shown in the following table.


	By Fiscal Year, in Millions of Dollars				
	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	1,649	1,725	1,648	1,571	1,454
Estimated Outlays	909	1,448	1,651	1,599	1,501
CHANGES IN DIRECT SPENDING ^a					
Estimated Budget Authority	6	-2	*	*	*
Estimated Outlays	6	-2	*	*	*

NOTE: * = less than \$500,000.

a. Annual changes in direct spending after 2012 would sum to less than \$500,000 a year.

If you wish further details on this estimate, we will be pleased to provide them.
The CBO staff contact is Tyler Kruzich.

Sincerely,



Peter R. Orszag
Director

cc: Honorable James M. Inhofe
Ranking Member